

Service Date: October 22, 1975

BEFORE THE UTILITY DIVISION

DEPARTMENT OF PUBLIC SERVICE REGULATION
MONTANA PUBLIC SERVICE COMMISSION

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IN THE MATTER of the application of)	
THE WASHINGTON WATER POWER)	
COMPANY for an order authorizing it to issue not)	DOCKET NO. 6347
exceeding \$40,000,000 of Promissory notes.)	DEFAULT ORDER NO. 4216

* * * * *

On August 20, 1975, THE WASHINGTON WATER POWER COMPANY (hereinafter referred to as Applicant), filed with the Montana Public Service Commission its verified application, requesting an order authorizing Applicant to issue Promissory Notes in the aggregate principal amount not exceeding \$40,000,000 pursuant to a Credit Agreement with nine banks dated August 22, 1975. The application is supported by exhibits and data in accordance with the rules and regulations of the Commission governing the authorization of issuance of securities by electric and gas utility companies operating within Montana. For detailed information with respect to the general character of Applicant's business and the territory served by it, reference is made to its annual reports on file with the Commission.

The application sets forth Counsel who will pass upon the legality of the proposed issue, the other regulatory authorizations required and the propriety of the proposed issue.

At a regular open session of the Montana Public Service Commission, held in its offices at 1227 11th Avenue, Helena, Montana. on October 6, 1975, there being present Chairman Gordon E. Bollinger, Commissioner P.J. Gilfeather, Commissioner George Turman, Commissioner Thomas G. Monahan and Commissioner James R Shea, there came before the Commission for final action, the matters and things in this Docket, and the Commission, having fully considered the application and all the data and records pertaining thereto on file with the Commission and being fully advised in the premises, makes the following:

FINDINGS OF FACT

1. Applicant, The Washington Water Power Company, is a corporation organized and existing under and by virtue of the laws of the State of Washington and is qualified to transact business in the State of Montana.

Applicant's principal executive office is at East 1411 Mission Avenue, Spokane, Washington 99202; Applicant is duly qualified to do business in the states of Montana, Washington and Idaho.

2. Applicant is operating as a public utility as defined in Section 70-103, RCM 1947, and as such is engaged in furnishing electric service in Montana.

3. The Commission has jurisdiction over the subject matter of said application under Sections 70-117.1 through 70-117.6, RCM 1947.

4. Public notice of the filing of application and opportunity for public hearing was given on September 8, 1975, by mailing copies of the notice to all of Applicant's Montana customers, and no protests or requests for a formal hearing were received by October 3, 1975.

5. The securities proposed to be issued are not exceeding \$40,000,000 of Promissory Notes pursuant to a Credit Agreement with nine banks dated August 22, 1975.

6. The miscellaneous fees and expenses associated with issuance of the proposed notes will be paid from treasury funds. Included in an estimate of these expenses are \$6,145 in fees payable to state regulatory authorities and \$130 in miscellaneous expenses.

7. The gross proceeds from the notes in the estimated amount of \$40,000,000 will be used to discharge up to \$11,000,000 in short-term notes payable to eight banks under a line of

credit beginning October 1, 1974, and ending on September 30, 1975, with the balance of \$29,000,000 or more in proceeds to be applied to the construction, completion, extension, or improvement of Applicant's own facilities.

Applicant's construction forecast, filed as Exhibit (7-b) of the application herein, projects expenditures of \$29,092,000 in 1975 and \$49,791,000 for the year 1976.

8. Applicant requests that it be authorized to issue and sell the \$40,000,000 of Promissory Notes.

CONCLUSIONS OF LAW

The securities transaction proposed by Applicant, as hereinafter authorized, will be for a lawful purpose and is consistent with the Public interest; that the same is necessary, appropriate and consistent with the proper performance by Applicant of service as a public utility; and that the aggregate amount of securities outstanding and proposed to be outstanding will not exceed the fair value of the properties and business of Applicant.

ORDER

IT IS ORDERED by the Commission:

1. The application of The Washington Water Power Company for authority to issue and sell not exceeding \$40,000,000 of Promissory Notes, pursuant to Sections 70-117.1 through 70-117.6, inclusive, RCM 1947, and to use the proceeds for the purposes set forth in its application and hereinabove, is approved, subject to the provisions of this order.

NOTE: Section 70-117.6 RCM 1947 provides that neither the issuance of

securities by Applicant. pursuant to the provisions of this order, nor any other act or deed done or performed in connection therewith, shall be construed to obligate the State of Montana to pay or guarantee in any manner whatsoever any security authorized, issued, assumed or guaranteed hereunder.

The approval of this Promissory Note offering shall not be construed as precedent to prejudice any future action of this Commission with regard to any security issue. Issuance of this order does not mean acceptance of the Applicant's exhibits or other material accompanying the application for any purpose other than the issuance of this order.

On October 6, 1975, by a vote of 5 - 0.

GORDON E. BOLLINGER, Chairman

P. J. GILFEATHER, Commissioner

GEORGE TURMAN, Commissioner

THOMAS G. MONAHAN, Commissioner

JAMES R. SHEA, Commissioner

ATTEST:

GAIL E. BEHAN
Secretary

(SEAL)